

Stephen J. Nutting  
Law Office of Stephen J. Nutting  
6th Floor Marianas Business Plaza  
P.O. Box 5093 Saipan, MP 96950  
Michael Chen  
Michael Chen Law Offices  
7330 Edna Ave.  
Las Vegas, NV 89117  
(*Pro Hac Vice*)  
*Attorneys for Plaintiff IPI (CNMI) LLC*

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN MARIANA ISLANDS**

Imperial Pacific International (CNMI) LLC,  
Plaintiff,

Vs.

Commonwealth of the Northern Mariana  
Islands, Arnold Palacios, governor of  
CNMI, in his official and personal  
capacities; Edward C. Deleon Guerrero,  
Chairman of CCC, in his official and  
personal capacities; Rafael S. Demapan,  
Vice Chairman of CCC, in his official and  
personal capacities; Mariano Taitano,  
Commissioner of CCC, in his official and  
personal capacities; Martin Mendiola,  
Commissioner of CCC, in his official and  
personal capacities; Ramon M. Dela Cruz,  
Commissioner of CCC, in his official and  
personal capacities; Andrew Yeom,  
Executive Director of CCC, in his official  
and personal capacities;

Defendants.

Case No. 1:24-cv-00001

**PLAINTIFF'S MOTION FOR LEAVE  
TO FILE A REPLY**

**PLAINTIFF'S REPLY IN SUPPORT  
OF PLAINTIFF'S SECOND  
EMERGENCY MOTION FOR  
TEMPORARY RESTRAINING  
ORDER**

**HON. DAVID CARTER**

In response to the Opposition filed by Defendant CNMI to Plaintiff's Second Emergency Motion for TRO, Plaintiff IPI moves the court for leave to file a reply and include a brief reply herein.

Defendant CNMI argues that the \$3M annual regulatory fund is not the only fund the Commission receives and provides a long list of other fees the Commission may collect. ECF No. 27.

Defendant CNMI also argues that the regulatory fee made its way to the bank account of CCC through a legislative appropriation process and the Commissioners received payment for their services only through the legislative appropriation process, therefore, the Commissioners have no personal interests in whether the regulatory fee is paid or not. Defendant CNMI uses driver license fees paid to BMV as an analogue to the \$3M regulatory fee paid by IPI to CCC.

In response, IPI acknowledges that the \$3M is not the only source of income for the Commission. Here is a table of the revenue of the Commission since year 2018 to 2022:

	2018	2019	2020	2021	2022
Casino	\$3,000,000	\$3,000,000	\$3,000,000	\$0	\$0
Regulatory Fees					
Other	\$151,242	\$100,328	\$106,500	\$20,214	\$15,000
Regulatory Fees					
General Fund		\$1	\$1	\$1	\$1

ECF No. 24-10 Exhibit J. Commission Annual Reports.

It is clear that the Commission cannot survive financially without the \$3M annual license fee paid by IPI. It would be "professional suicide" for the Commissioners to be persuaded by IPI's argument that the \$3M annual regulatory fee statute is unconstitutional.

It is also clear that the legislative appropriation process has not worked very well for the Commission and the Commissioners when the annual regulatory fee is not paid. Employing the concept of "legislative appropriation" to shield the Commissioners from having personal interests in the outcome of the revocation hearing is intellectually dishonest.

1           The BMV analogue is a dissimilar situation. IPI is the exclusive casino licensee in CNMI.  
2 Should there is only one driver for BMV to collect the fee from, and the entire staff of BMV is  
3 paid by that single driver, the staff at BMV would have a personal and direct interest in using the  
4 license revocation process as means to collect that fee.

5           By the way, the revocation hearing is not about IPI's "poor driving," but about its  
6 inability to pay the fees due to force majeure and suspension of its license by CCC. Defendant  
7 CNMI admits that "[i]n fact, Plaintiff could moot the revocation hearing issue by simply  
8 remitting the owed amounts" See ECF No. 27 at 4-5. It demonstrates that the revocation hearing  
9 is used as a means by CCC to gain unfair leverage over IPI, because CCC could immediately  
10 start a new revocation hearing to collect other fees that are genuinely disputed by IPI with  
11 legitimate defenses, after IPI paid the regulatory fees for year 2020.

12  
13 Dated:       March 29, 2024  
14               Las Vegas, Nevada

Respectfully submitted,

By: /s/ Stephen Nutting  
Stephen Nutting  
Michael Chen  
By: /s/ Michael Chen  
*Pro Hac Vice*